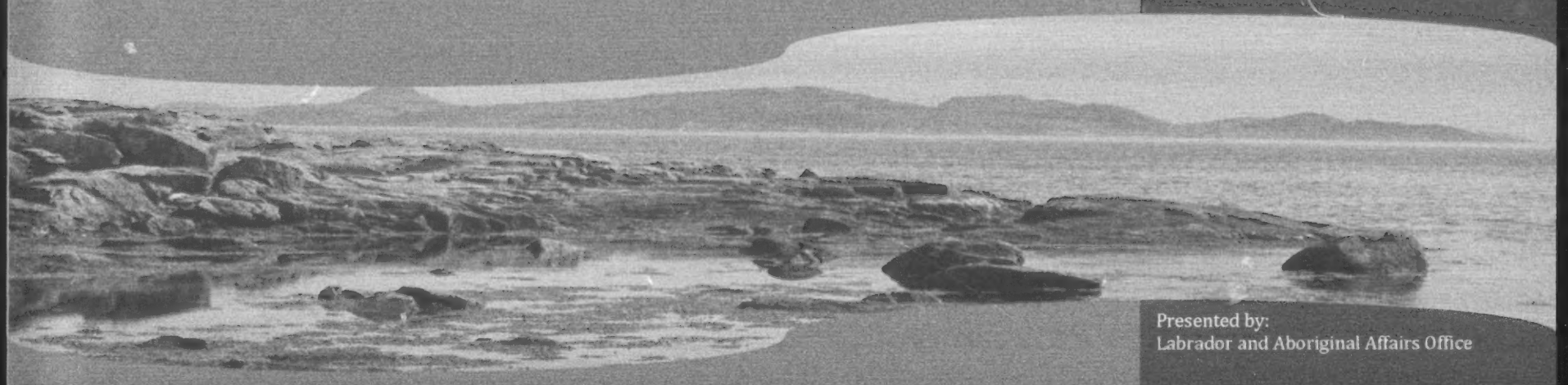
Newfoundland Labrador

LABRADOR AFFAIRS OFFICE ANNUAL REPORT

2013-14



Presented by:
Labrador and Aboriginal Affairs Office

Cover photo:

Shoreline of the Torngat Mountains National Park

Minister's Message

Nick McGrath, M.H.A. Labrador West
Minister of Transportation and Works and
Minister Responsible for Labrador and
Aboriginal Affairs Office

I am pleased to present the Annual Report for the Labrador Affairs Office (LAO) for the fiscal year 2013-14. This document reports on the activities and indicators as outlined in the 2011-12 to 2013-14 LAO Activity Plan. As the Minister Responsible for Labrador and Aboriginal Affairs, I am accountable for the preparation of this report and the results reported herein.

In October, 2013 the Labrador Affairs Office merged with the Aboriginal Affairs Branch of the Intergovernmental and Aboriginal Affairs Secretariat to form the Labrador and Aboriginal Affairs Office. The Aboriginal Affairs Branch will report on its activities and indicators from the 2011-12 to 2013-14 Intergovernmental and Aboriginal Affairs Activity Plan.

The Labrador Affairs Office of Executive Council was mandated to: co-ordinate and develop policies and programs relating to significant issues of Provincial Government interest in Labrador; advance social and economic development in Labrador; monitor Provincial Government programs and services in Labrador; and, administer Labrador-specific programs as delegated by the Provincial Government. This mandate was achieved through coordination and collaboration of Labrador related initiatives with Provincial Government departments and agencies; Federal, Municipal and Aboriginal Governments and organizations; and, industry stakeholders.

Some highlights of the activities of the Labrador Affairs Office during the 2013-14 fiscal year include:

- Labrador Affairs merged with Aboriginal Affairs to form the Labrador and Aboriginal Affairs Office;
- Conducted a successful snowmobile/drag pilot project in Norman Bay with funding from the Labrador Transportation Grooming Subsidy;
- Continued leadership roles in multi-agency committees including the Environmental Management and Planning Consultative Committee, the Senior Officials Working Group (Lower Churchill Project), Labrador West Regional Taskforce and the Labrador Training Initiatives Committee; and,
- Continued to monitor Provincial Government commitments in Labrador through the framework of the Northern Strategic Plan for Labrador.

I wish to acknowledge the hard work and professionalism of the employees of the Labrador Affairs Office over the course of the 2013-14 fiscal year and I look forward to more great things for all of Labrador in the year ahead.

Table of Contents

Introduction 1

Organizational Structure and Location 1

Financial Statistics 3

Mandate 3

Lines of Business 3

Shared Commitments 4

Highlights and Accomplishments 8

Report on Performance 10

Issue Social and Economic Planning 10

Issue 2 Policy and Programs 19

The Year Ahead - Opportunities and Challenges 26

Financial Statements 28

Introduction

In fulfilling its commitment to being accountable to the citizens of Newfoundland and Labrador, the Provincial Government introduced the *Transparency and Accountability Act* (the *Act*). The *Act* provides the legislative framework for strengthening accountability of the Provincial Government entities through multi-year performance-based plans and annual performance reports that are presented in the House of Assembly. During 2013, the Labrador Affairs Office merged with the Aboriginal Affairs Branch, formerly of Inter-Governmental and Aboriginal Affairs Secretariat, to form the Labrador and Aboriginal Affairs Office (LAAO). The office of the Aboriginal Affairs Branch remained in St John's and offices for the Labrador Affairs Branch remained in Happy Valley-Goose Bay and Wabush. A new Deputy Minister was appointed to LAAO on December 17, 2013. On June 30, 2014, LAAO tabled its 2014-15 to 2016-17 Business Plan which outlines issues, goals, objectives and indicators for the new entity into the future. This Annual Report identifies progress of the Labrador Affairs Office (LAO) during the 2013-14 fiscal year in achieving the objectives set out in the 2011-14 Activity Plan. LAO was considered a Category 3 Public Entity within the context of the *Act*. In accordance with the *Act*, LAO's Activity Plan outlined the priorities for the 2011-12 to 2013-14 fiscal years.

Vision

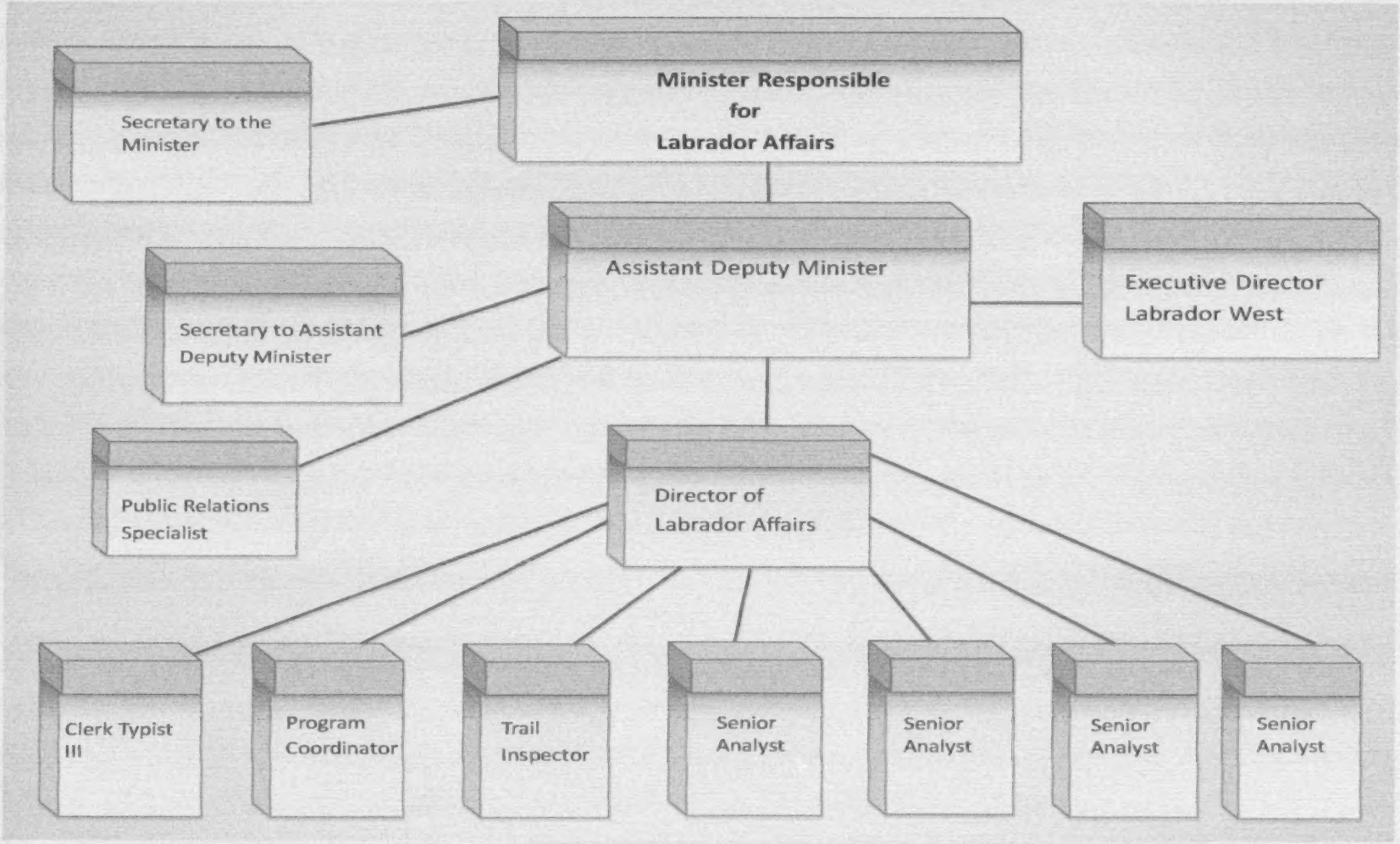
The Labrador Affairs Office vision is of a strong, sustainable and vibrant Labrador, where all people have the opportunity to prosper and contribute to their communities, regions, and the province

Organizational Structure and Location

Labrador Affairs Office focused on economic and social development initiatives that impact Labrador during the 2013-14 fiscal year. LAO played a role more like a central agency, as a coordinating and advisory body rather than a delivery agent.

Labrador Affairs Office Organizational Flow Chart

2013-14



The offices consist of 13 employees (5 male and 8 female). The Minister Responsible for Labrador and Aboriginal Affairs also has an office in St John's. The Director of Communications responsible for the Office is located in St John's, as well.

Financial Statistics

The Labrador Affairs Office had a gross annual expenditure of $1,453,809 for the year ending March 31, 2014. In addition the gross annual expenditure of executive support was $923,137 and was shared with Aboriginal Affairs. For further details please refer to the financial statement for 2013-14 at the end of this Annual Report.

Mandate

The mandate of the Labrador Affairs Office, was built upon the Office's Notice under the *Executive Council Act*, and it:

a) coordinated and developed policies and programs relating to significant issues of Provincial Government interest in Labrador;
b) advanced social and economic development in Labrador;
c) monitored Provincial Government programs and services in Labrador; and,
d) administered Labrador-specific programs as delegated by the Provincial Government.

Lines of Business

1. Policy and Planning

LAO developed, implemented and administered provincial policies and associated agreements respecting Labrador issues. LAO liaised with provincial departments/entities and other jurisdictions on Labrador issues. In doing so, LAO aimed to ensure that Provincial Government policies, programs and services consider the unique concerns of Labrador communities, mainly via the provision of advice to provincial offices and agencies, and participation in provincial horizontal initiatives. LAO strived to develop a focused approach to the Provincial Government's service delivery in Labrador and demonstrated the Provincial Government's commitment to support Labrador issues through programs and policies.

2. Program Administration

LAO was responsible for the administration of a number of grants and subsidies unique to Labrador including:

- Air Foodlift Subsidy;
- Labrador Transportation Grooming Subsidy;
- YC Grant (Youth Conference); and,
- Combined Councils of Labrador funding.

LAO liaised with other northern ministries and assists in the management of intergovernmental relations on Labrador/northern issues.

3. Coordination and Collaboration

LAO mandated the advancement of social and economic development in Labrador. This was achieved through coordination and collaboration of Labrador related initiatives. LAO collaborated with Provincial Government departments/entities, federal, Aboriginal and municipal governments and industry organizations to support advancement of economic and social development in Labrador. Often LAO took the lead role in coordinating intergovernmental committees such as the Environmental Management Planning and Consultative Committee and the Northern Development Ministers' Forum.

Shared Commitments

Shared commitments represent those objectives that could not be met without the participation and actions of partners. In much of LAO's work, collaboration was integral to the achievement of the objectives identified in the Activity Plan. On a daily basis, LAO played a lead role in coordinating among provincial departments/entities, the Federal Government and other associated groups on issues pertaining to Labrador residents.

Although LAO administered some 'Labrador-specific' programs, most programs and services provided by the Provincial Government to Labrador residents are typically delivered by other departments or entities. Labrador-specific programs refer to programs that are delivered by the Provincial Government only in Labrador.

Much of LAO's activities include those for which it was the designated lead such as the implementation and monitoring of the *Northern Strategic Plan* for Labrador (NSP), chaired the Environmental Management Planning Consultative Committee and the Senior Officials Working Group (SOWG) for the Lower Churchill Hydroelectric Development project, all of which involved close collaboration with one or more provincial public entities. These collaborative efforts supported LAO's strategic direction to enhance social and economic development in Labrador.

Environmental Management and Planning Consultative Committee

The Environmental Management and Planning Consultative Committee (EMPCC) was established in 2004. The role of the EMPCC is the identification of potential environmental effects as a result of construction of Phase III of the Trans Labrador Highway (TLH III); discussion of existing applicable resource management and planning processes; and recommendations for additional measures which may be required to address environmental issues.

The TLH III opened in December 2009. The EMPCC continued to monitor the impacts in the area with the ongoing development of the Lower Churchill Hydroelectric Development and the widening and hard-surfacing of the TLH III. Committee representation included appropriate provincial regulatory and resource management entities, the Innu Nation and relevant departments/entities of the Federal Government.

The EMPCC is chaired by LAO, which also coordinated and facilitated committee meeting activities. Issues and recommendations regarding environmental impacts on the TLH III were identified. The EMPCC continued to seek expertise of pertinent departments/entities from its Enforcement Sub-Committee in its efforts to bring forward areas of concern and possible solutions to issues and recommendations. LAO's role on the EMPCC supported focus areas of the Provincial Government's strategic direction to enhance communications and accessibility for Labrador residents as well as to ensure Provincial Government policy reflects Labrador interests.

Boats in North West River

Lower Churchill Development

The Lower Churchill development was sanctioned in December 2012 and will bring economic benefits to Labrador. Construction is currently underway on the 824 megawatt hydroelectric dam on the lower Churchill River in Labrador and more than 1,500 kilometres of associated transmission lines. The project will generate approximately 9,100 person-years of direct employment in Newfoundland and Labrador, with 5,800 of these person-years occurring in Labrador.

When considering indirect and induced employment, more than 7,500 person-years of employment in total will take place in Labrador. To highlight the significance of the economic benefit to Labrador, an average of 1,150 people will be employed per year throughout the development of Muskrat Falls with more than 75 per cent of the direct labour for the Muskrat Falls Generation Facility to be undertaken in Labrador. Construction is expected to continue on the development until late 2017.

Since 2012, LAO has undertaken the coordination role for the Provincial Government with the permitting process for the Lower Churchill development including Muskrat Falls, the Labrador Island Link and the Maritime Link. LAO maintained contact with relevant departments/entities to ensure that permits for the project were completed in a timely fashion.

Torngat Mountains and Mealy Mountains National Park Committees

LAO has non-voting observer status at meetings of the Torngat Mountains Cooperative Management Board. This board assisted Parks Canada in an advisory capacity regarding the management of the Torngat Mountains National Park, including the development of policy for visitor use of the park.

On February 5, 2010, Canada and the Government of Newfoundland and Labrador announced the commitment to create a new national park reserve in the Mealy Mountain area of Labrador. The responsible provincial and federal ministers accepted the consensus recommendations of the Steering Committee for the National Park Feasibility Study, and signed a memorandum of understanding outlining the next steps the two governments will take to establish the national park reserve, including the negotiation of a federal-provincial land transfer agreement. LAO participated on the provincial negotiating team for the federal-provincial land transfer agreement.

Black Spruce near the Cartwright Junction

Homelessness Partnering Strategy

The Homelessness Partnering Strategy aimed to prevent and reduce homelessness across Canada. It developed partnerships that contribute to a sustainable and comprehensive continuum of supports to help those who are homeless or at risk of homelessness move towards self-sufficiency. It mobilized partners at the federal-provincial/territorial and community levels to address barriers to well-being faced by homeless individuals and those at risk. Service Canada led the Newfoundland Labrador Regional Advisory Board for this strategy. LAO participated as a member of the board.

Labrador Aboriginal Training Partnership

Created in 2009, the Labrador Aboriginal Training Partnership (LATP) was mandated to develop and oversee a comprehensive training to employment plan to prepare Labrador Innu, Inuit and members of the NunatuKavut Community Council for employment opportunities resulting from resource development in Labrador. It was co-funded by the Provincial Government and the Federal government, in partnership with the Nunatsiavut Government (NG), Innu Nation, NunatuKavut Community Council and Nalcor Energy. LATP continued to fulfill its mandate, particularly with the development of the Lower Churchill Hydroelectric Development Project.

LAO was a non-voting member on the LATP board. The board was comprised of the following voting members: the NG, Innu Nation, NunatuKavut Community Council and Nalcor Energy. Federal Government and Provincial Government departments' representatives were non-voting board members.

Northern Strategic Plan

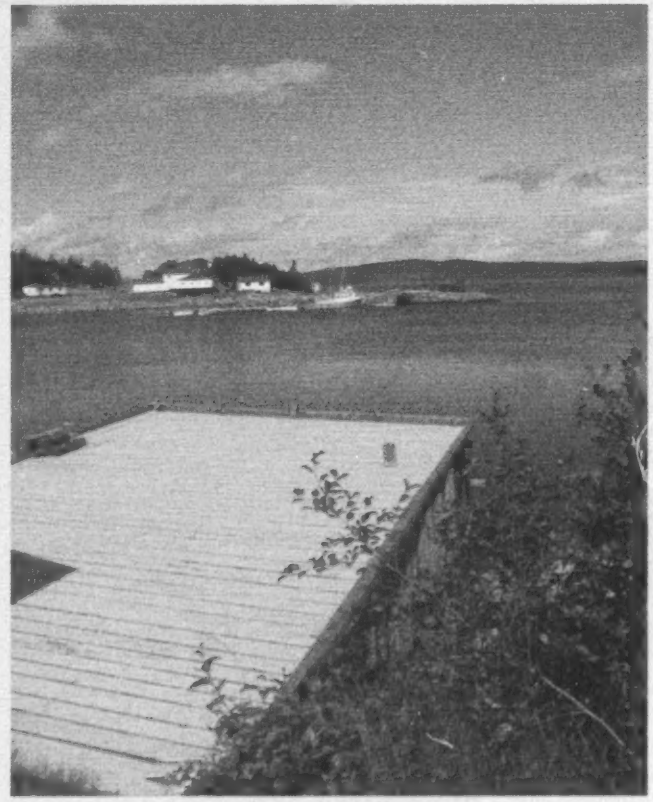
The *Northern Strategic Plan* for Labrador was launched on April 20, 2007 and included 145 Provincial Government commitments focusing on eight underlying themes including: Transportation; Natural Resources and Environment; Tourism and Cultural Development; Education and Employment; Health; Access to Programming and Services; Aboriginal Partnerships; and Working Together. LAO, through collaboration with provincial departments/entities and stakeholders, moved forward on Labrador's economic and social development initiatives.

LAO was responsible for ensuring that the *Northern Strategic Plan* was implemented in an effective and timely manner. This was done in collaboration with line departments/entities to monitor the progress of each individual commitment that supported the goals and objectives of the *Northern Strategic Plan*. Outcomes of the plan strongly supported LAO's strategic direction to enhance social and economic development in Labrador.

Dory in Postville

LAO also participated on other shared commitments with governments, community groups and other stakeholders such as:

- Ex-officio member on the Board for the Institute of Environmental Monitoring and Research;
- Advisory capacity on the Community Advisory Panel in Labrador West;
- Chairs the Labrador Training Initiatives Committee;
- Represented on both the Steering Committee and Working Group of Arctic Opportunities;
- Represented on the Climate Change Ministerial Committee;
- Represented on the Deputy Ministers Committee for the Violence Prevention Initiative;
- Represented on the Deputy Ministers Committee and the Officials Committee in support of the Poverty Reduction Strategy (PRS);
- Participates on the Provincial George River Caribou Herd Advisory Committee;
- Participates on the Advisory Board for the Food Security Network;
- Represented on the Newfoundland & Labrador Geographical Names Board;
- Member of the Labrador Winter Games Board;
- Chairs the Labrador Regional Senior Management Council;
- Advisory capacity on the Goose Bay Citizen's Coalition;
- Advisory capacity on Destination Labrador;
- Participates as a member of the Happy Valley-Goose Bay Homelessness/Transitional Housing Working Group;
- Participates on the Regional Oversight Committee on Oceans Management; and,
- Participates on the Canada-NL Committee on Oceans Management.



Wharf on Labrador's coast

Highlights and Accomplishments

Labrador West Regional Taskforce

The Labrador West Regional Taskforce (LWRT) was established in February, 2012 by the Iron Ore Company of Canada. The facilitation of the LWRT was the responsibility of LAO and the Department of Natural Resources. The LWRT was initiated to examine the cumulative effects on the Labrador West region as a result of the expansion of local mining development and to have a collaborative approach to address potential impacts. Areas of priority included housing, municipal infrastructure, land supply, labour, transportation, as well as education and training. LWRT meetings were held quarterly. One meeting per year was held in St. John's, NL and the remaining meetings were held in Labrador West. The LWRT was comprised of Provincial Government departments/entities, mayors from both Labrador City and Wabush, representative from the Town of Fermont, a representative from the Atlantic Canada Opportunities Agency and local mining industry representatives. Other stakeholders were invited to meetings based on the agenda. The Towns of Labrador City and Wabush have hired a consulting firm to develop a growth strategy for the region. "Plan Big" is a result of issues identified by the Labrador West Regional Taskforce. This project is expected to conclude in 2014.

Northern Development Ministers' Forum

The Northern Development Ministers' Forum (NDMF) was established in 2001 to advance the diverse and common interests of Canada's North across the country and raise awareness among decision-makers and the public about the accomplishments, contributions and potential of the north. The NDMF focused on current economic, fiscal and social issues of importance to the north, derived from each jurisdiction's priorities.

NDMF member jurisdictions included northern representatives from the Governments of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Newfoundland and Labrador, Yukon, the Northwest Territories, Nunavut and Canada.

LAO represented the province on the NDMF, is a member of the NDMF Senior Officials Working Group, and sat on the working groups for the priority projects. The 2013 NDMF was co-hosted by Saskatchewan and Alberta and held in Fort McMurray, Alberta. The 2014 forum will be held in Whitehorse, Yukon with the theme "Build North: Infrastructure, Partnerships and Innovations". LAAO will be leading a priority project for the 2014 forum entitled "Managing Change" which examines the impacts, changes and lessons learned from large-scale natural resource developments.

Senior Officials Working Group Lower Churchill Project

The Senior Officials Working Group (SOWG) was established in early 2013 to better understand and measure potential impacts of the Muskrat Falls Project on the Town of Happy Valley-Goose Bay. The group was comprised of senior officials from several Provincial Government departments co-chaired by LAO and the Town of Happy Valley-Goose Bay (Town). The mandate of the SOWG was to support the sustainability of the Town through open and proactive dialogue between the Provincial Government and the Town in addressing any impacts of the Muskrat Falls Project on the community. The group met regularly throughout 2013-14 with LAO overseeing coordination of working group activity. In 2013, the SOWG contracted a consultant to complete a baseline data study to assist in the determination of impacts on the Town from the development of the Project. LAO's role on the SOWG supported the Provincial Government's strategic direction of economic and social development in Labrador.

Combined Councils of Labrador

The Combined Councils of Labrador (CCL), established in 1972, provides an opportunity for municipal leaders throughout Labrador to gather and discuss issues of mutual concern and to engage the Provincial Government in

meaningful deliberations. LAO has provided annual operating funding to the CCL to support community collaboration in Labrador since 2007-08. Annual meetings between CCL board members and Provincial Government Ministers took place in December, 2013. Labrador Affairs also attended the CCL's Annual General Meeting held in L'Anse au Clair in February 2014. LAO worked closely with the CCL by coordinating and facilitating discussions on issues in Labrador. This involvement supported the focus area of the strategic direction to reflect Labrador interests in provincial policy.

Labrador Transportation Grooming Subsidy

The Government of Newfoundland and Labrador continued to provide funding from the Labrador Transportation Grooming Subsidy (LTGS) to coastal communities that do not have year-round marine or road connections to other areas of Labrador. This subsidy supported the focus area of the strategic direction to improve economic and social development in Labrador. The Provincial Government provided support to regions along the north and south coasts of Labrador for maintenance of the winter trail systems. The Inuit Community Governments of Hopedale, Postville, Makkovik, and Rigolet, as well as the Eagle River Development Association, Labrador White Bear Development Association (LWBDA), Mud Lake, Town of North West River and Grand River Snowmobile Club, received funding from this program.

During the 2013-14 grooming season, temperatures were colder than normal in all areas of Labrador creating really thick ice conditions which permitted safe trail marking and thus access to isolated communities. A lack of snow in some communities on the north coast reduced trail grooming. The Department of National Defense conducted successful winter military exercises on the trail network along the north coast of Labrador. The overall operating budget for the LTGS for the 2013-2014 grooming season was maintained at $351,000. LWBDA used a snowmobile/drag in a pilot project on snowmobile grooming efficiency during the 2014. Local residents in Norman Bay and the LWBDA were pleased with trail quality from the snowmobile/drag. Provincial Government funding in the amount of $120,000 was used to help build a groomer garage at the Town of North West River in summer/fall 2013. During the late fall LAO held meetings with all service providers involved in the LTGS to gain input into program administration.

Air Foodlift Subsidy

The Air Foodlift Subsidy (AFS) program was established by the Provincial Government in 1997 to ensure that nutritious, perishable items such as fruit, vegetables and dairy products are more affordable to Labrador's coastal communities. The subsidy supported LAO strategic direction to improve economic and social development in Labrador. The AFS program was coordinated, managed and administered by LAO. Improvements to the road and marine service have lessened demand for the AFS program. In 2010, the Province introduced year round marine service from the Labrador Straits to the island portion of the province. This has allowed for the AFS to be used in Labrador's South Coast and Straits only when marine service is not available due to inclement weather or mechanical failure for an extended period of time. The AFS was available to retailers in these areas in 2014 for extended periods in January due to extreme ice conditions.

Report on Performance

In consideration of the Provincial Government's strategic direction to enhance economic and social development of the Labrador region and the mandate and financial resources of the Labrador Affairs Office, the following issues were identified as the key priorities of the Minister in the LAO 2011-12 – 2013-14 Activity Plan. The objectives identified for the issues reflected the results expected each year of the three-year timeframe. Reporting on the objectives was done with an annual focus. Indicators were provided for the objectives of the issues to assist both the LAO and the public in monitoring and evaluating success.

Advancing social and economic development of Labrador communities required effective relationships with the residents of Labrador and other departments/entities of the Provincial Government. These relationships were enhanced by high quality communications and consultations. As a result, Provincial Government policy reflected the interests of Labrador communities in areas such as enhanced accessibility for residents of Labrador, and the economic and social development of Labrador. Provincial engagement with resource development stakeholders in Labrador was crucial to unlocking the resource rich potential of Labrador. Input was a means to effectively manage these developments while maintaining the integrity of Labrador's cultural and social landscapes.

Issue Social and Economic Planning

The vision of LAO was to ensure that Provincial Government policies and programs were appropriately adapted or modified to account for the unique needs in Labrador, in order to promote effective social and economic development of Labrador communities. In Labrador communities "one size does not fit all" and in many cases a single size created challenges in the progression of economic and social development in Labrador. Major resource development projects such as mineral development in Labrador West and hydro development at the Lower Churchill provided economic and social opportunities. Strategic planning ensured the Provincial Government was prepared for future demands on existing programs and services.

This was achieved by:

- Advancement in the progression of social development in Labrador;
- Provision of leadership and support to maximize economic development opportunities; and,
- The monitoring of progress of Provincial Government commitments through the *Northern Strategic Plan* for Labrador.

These activities enhanced social and economic development of the Strategic Direction.

Report on Objective

2013-14

Objective: **Each year, the Labrador Affairs Office will have provided input to the government in support of economic and social planning in Labrador.**

Measure		Provided Input
	Objective Indicator	1. Continued to monitor the initiatives under the *Northern Strategic Plan* for Labrador;
May 3, 2013 **"Since its release in 2007, the Northern Strategic Plan has been a living document, evolving with the changing needs of Labradorians and providing a solid foundation for continued social and economic development in Labrador. Budget 2013 investments further build upon this plan which continues to guide Provincial Government initiatives and priorities in Labrador including those related to advancing educational and workforce opportunities for Labradorians."** **Minister McGrath**	Performance	A monitoring framework tracked progression of the *Northern Strategic Plan* (NSP). The monitoring process provided updated progress, by regularly engaging department/entities representatives to maintain current and accurate account of all commitments, and by regularly recording progress into the monitoring framework. LAO advocated for NSP goals and objectives by working closely with Provincial Government departments/entities on existing and new commitments and monitoring all monies spent to support social and economic development of Labrador. As part of the monitoring framework, LAO reviewed all NSP commitments annually. LAO consistently reviewed news releases and contacted other provincial departments/entities for Labrador-specific initiatives to monitor. Although the NSP was initially a five-year plan, a number of commitments remained outstanding and LAO and the Provincial Government chose to continue monitoring to ensure progress of all commitments in the NSP.

Objective Indicator	**2. Supported social and economic development consultations in Labrador;**

Fiord in Northern Labrador

Did you know?

The Umiak I, a bulk carrier used to transport ore from Voisey's Bay to Montreal, was featured in an hour-long documentary in season six of Mighty Ships.

Performance

Social and economic development in Labrador was supported through government consultation processes. LAO provided advice to Provincial Government departments/entities seeking input from residents of Labrador. Oftentimes LAO provided advice on appropriate locations and dates for consultations. LAO was asked for input on invitation lists and feedback on sensitive issues that department/entities should be aware of.

The following provided details on how LAO supported these consultation processes:

Labrador Affairs provided advice to government on Labrador issues in preparation of the pre-budget consultations. On February 4, 2014, the Minister Responsible for Labrador and Aboriginal Affairs hosted the pre-budget consultations in Happy Valley-Goose Bay and Labrador City on behalf of Government.

LAO assisted staff of the Combined Councils of Labrador (CCL) with scheduling annual meetings with Ministers from various departments/entities in December, 2013. The ministerial meetings allowed the CCL to forward resolutions and concerns on behalf of the communities of Labrador.

LAO led meetings and discussions with community groups involved in the Labrador Transportation Grooming Subsidy to receive feedback on program administration. Service Providers that attended these meetings consisted of those from the north and south coasts of Labrador and in central Labrador including:

- Rigolet Inuit Community Government;
- Makkovik Inuit Community Government;
- Postville Inuit Community Government;
- Hopedale Inuit Community Government;
- Eagle River Development Association;
- Labrador White Bear Development Association;
- The Town of North West River;
- Grand River Snowmobile Club, and;

- The Aids to Navigation Committee (Mud Lake).

LAO participated in a number of consultations with community stakeholders, including the Town of Happy Valley-Goose Bay and the Labrador North Chamber of Commerce, regarding the Lower Churchill Hydroelectric Development and 5 Wing Goose Bay.

Did you know?

Red Bay became Labrador's first World Heritage Site in June 2013. Red Bay was recognized for its Basque history.

Objective Indicator

3. Collaborated with Provincial Government departments/entities to advance economic and social development;

Performance

Economic and social development advancement in Labrador often required collaboration involving Provincial Government departments/entities.

Since 2012, LAO has undertaken the coordination role for the Provincial Government with Lower Churchill Hydroelectric Development project. LAO maintained contact with relevant departments/entities to ensure that permits for the project were completed in a timely fashion.

A Senior Officials Working Group (SOWG) comprised of officials from several Provincial Government departments co-chaired by LAO and the Town of Happy Valley-Goose Bay has been established to better understand and measure the potential impacts of the Muskrat Falls Project on the Town of Happy Valley-Goose Bay.

LAO chaired the Labrador Regional Senior Management Council (LRSMC) which brought together Provincial Government senior management officials on a regular basis.

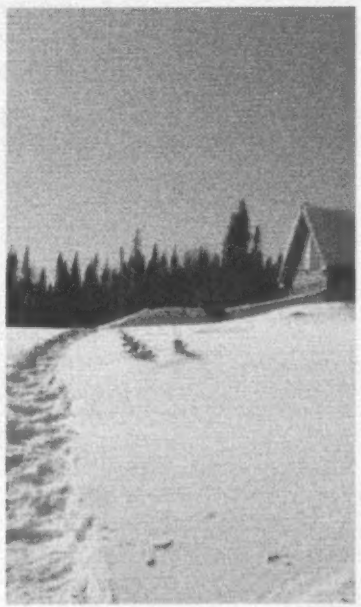
All provincial departments/entities that have commitments in the NSP were contacted regularly over the past year to provide updates on their specific commitments.

LAO participated on an Interdepartmental Advisory Committee that provides advice to the Province in their negotiations with the Government of Canada on the land transfer for the proposed national park reserve in the Mealy Mountains. LAO was also a participant on the provincial negotiation team.

Churchill River

June 27, 2013

"This is a great day for the people of Lab West, and represents the culmination of a tremendous amount of effort to bring the facility online. With the opening of the waste site, we now have a long-term vision for waste management in Lab West, which is in line with the Provincial Solid Waste Management Strategy. This includes not only the disposal of waste in a modern landfill but also facilities for the disposal of hazardous material and the collection of scrap materials." Minister McGrath



Birch Brook Ski Lodge

LAO consulted with executive and designates from Provincial Government departments/entities on commitments that fall under themes of the *Northern Strategic Plan*.

LAO chaired the Environmental Management and Planning Consultative Committee (EMPCC) consisting of provincial, federal and Innu Nation representatives. The EMPCC met annually to discuss environmental issues surrounding the Trans Labrador Highway Phase III. LAO also chaired a sub-committee on enforcement stemming from the EMPCC committee consisting of provincial, federal and Innu Nation representatives.

LAO was a member of a working group of senior officials from the Provincial Government and the Town of Happy Valley-Goose Bay that designed a Request for Proposal on the feasibility of a wellness centre for Happy Valley-Goose Bay. LAO participated on the selection committee to award the successful bid on this project.

The Conference Board of Canada Centre for the North (CFN) - conducts research on northern issues. LAO participated on that board. LAO consulted with colleagues on the terms of references for specified research conducted by CFN and provided feedback on its draft reports.

On January 16, 2014, Labrador Affairs attended Destination Labrador's stakeholder session and Annual General Meeting by teleconference with key stakeholders of the Labrador tourism industry. On November 5, 2013 and March18, 2014 LAO also participated in tourism market development sessions.

LAO led the development of the Tourism Transportation Senior Officials Working Group to facilitate open and proactive dialogue within the Provincial Government in addressing common concerns.

LAO participated in meetings with federal and provincial officials and the Labrador craft development stakeholders to explore options for a sustainable Labrador Craft Development Plan.

LAO participated in Food Security Interdepartmental Working group meetings to review food security in the province.

The Minister Responsible for Labrador and Aboriginal Affairs spoke at the Annual Labrador Expo held on June 23-26, 2013 in Happy Valley-Goose Bay. The Minister and other LAO staff also attended other sessions at this conference.

Objective Indicator	**4. Provided advice regarding consultations with residents of Labrador on resource management and development in Labrador;**
Performance	Residents of Labrador were consulted on resource management and development through consultations. The Provincial Government sought advice from LAO on its perspectives on important issues. The Office continued to support the Department of Natural Resources on consultations regarding the Lower Churchill development project, mining and other resource based projects. LAO provided advice to the Community Advisory Panel in Labrador West which was led by the Iron Ore Company of Canada and Wabush Mines.

August 21, 2013

"The Labrador West Rowing Association and the annual regatta are core recreational components of the area, and I am pleased this support will help maintain and improve the association's presence in the area. This project is needed to sustain operations at the regatta site in a safe and effective manner for everyone involved."" Minister McGrath

Objective Indicator	**5. Advocated for federal investment and policies that are reflective of the economic and social needs and opportunities in Labrador communities;**
Performance	The Federal Government was a major partner in the social and economic development of Labrador communities. LAO worked with the former Intergovernmental and Aboriginal Affairs Secretariat and the Provincial Government to provide advice to the Federal Government through meetings, letters, and representation on relevant intergovernmental committees.

Did you know?

Cain's Quest is Canada's longest snowmobile endurance race and it is held in all parts of Labrador starting and ending in Labrador West.

September 26, 2013

"Our province's economy is experiencing unprecedented growth fuelled, in part, by major energy and natural resource development in Labrador. As a northern region, Labrador faces many of the same challenges and opportunities as other northern jurisdictions in Canada. This forum allows ministers to collaborate to find ways to ensure sustainable development manage change and foster conditions for social and economic advancement for northern people, families and communities." Minister McGrath

There have been major initiatives in Labrador communities where LAO strongly encouraged the Federal Government for investment such as:

- Lower Churchill development;
- Marine, air and road transportation;
- 5 Wing Goose Bay;
- Labrador Aboriginal Training Partnership;
- Homelessness Partnering Strategy;
- Air Foodlift Subsidy; and,
- Torngat and Mealy Mountain National Parks.

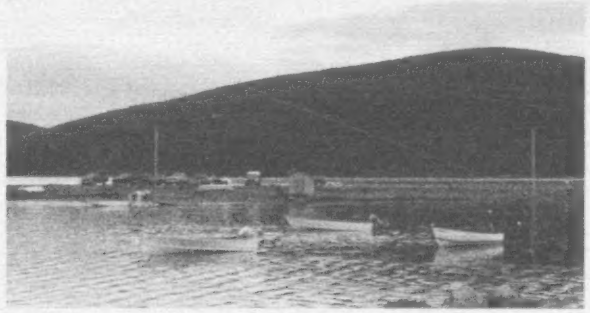
LAO played an active role in efforts to promote base facilities at 5 Wing Goose Bay for military purposes, and to explore non-military alternative uses. Advice was provided on options to sustain a military presence at 5 Wing Goose Bay, options for non-military uses of base facilities, and options to diversify the local economy including fulfilling the federal commitment to a rapid reaction force and unstaffed aerial vehicle (UAV) squadron for 5 Wing Goose Bay. This was achieved by maintaining positive relationships with 5 Wing Goose Bay, and through coordination of information pertaining to 5 Wing Goose Bay with the Department of Municipal and Intergovernmental Affairs.

LAO participated on an Advisory Committee with the Food Security Network – Newfoundland and Labrador project titled "Engaging Communities". LAO supported the project as a member of the committee and participated in committee meetings.

The Provincial Government was a member of the Northern Development Ministers' Forum (NDMF). The NDMF was formed to advance the diverse and common interests of Canada's north while raising awareness among decision-makers and the public about the accomplishments, contributions and potential of the North. Through the NDMF, LAO advocated for provincial and territorial interest. These interests were reflected to the Federal Government through Aboriginal and Northern Development Canada. Representatives from LAO attended the 2013 NDMF in Fort McMurray, Alberta and continue to advocate for Labrador interests on the senior officials working group.

Objective Indicator

6. Supported Government's efforts to increase public infrastructure and major resource developments in Labrador.



Anchored Boats in Cartwright

Did you know?

Battle Harbour was once known as the unofficial capital of Labrador

Performance

LAO supported Provincial Government's effort to increase public infrastructure and major resource developments initiatives through regular correspondence, joint news releases, letters, Provincial Government papers and provided advice to government on Labrador issues. LAO ensured that all Provincial Government commitments that fall under themes of the *Northern Strategic Plan* were monitored.

Through the NDMF, LAO worked with other jurisdictions in Canada to develop reports on "Information and Communications in the North"; "Sustainable Northern Resource Development: Impacts Benefits Agreements"; and, "Sustainable Housing in the North" for the 2013 NDMF that was held in Fort McMurray, Alberta. LAO led the priority project "Managing Change" for the upcoming forum in Whitehorse, Yukon.

LAO and the Town of Happy Valley-Goose Bay co-chaired a senior officials working group (SOWG). This group was comprised of several Provincial Government departments and was formed to better understand and measure potential impacts of the Lower Churchill Project on the community. In 2013-14, the SOWG worked with a consultant on a baseline data study that will be utilized to assist in the determination of potential impacts from development of the project on the town.

LAO represented the Provincial Government on the Conference Board of Canada's Centre for the North roundtable. The Centre has a shared vision of sustainable prosperity for Canada's North. Through research and dialogue it aspired to develop new insights that strengthen the foundation for informed decision making. LAO provided input on research topics and also reviewed and provided feedback on research terms of reference and draft reports. LAO attended the second national summit on Canada's north held in Whitehorse, Yukon on October 16-18, 2103.

Issue 1 Discussion of results

The measure of Issue 1: Social and Economic Planning was 'provided input'. LAO provided input to the Provincial Government in support of economic and social planning in Labrador through monitoring initiatives under the NSP, supporting Provincial Government consultations and Labrador resource management and development, collaborated with other Provincial Government departments/entities, advocated federal investment and policies that reflect needs in Labrador communities and supported Provincial Government's efforts to increase public infrastructure and major resource developments in Labrador.

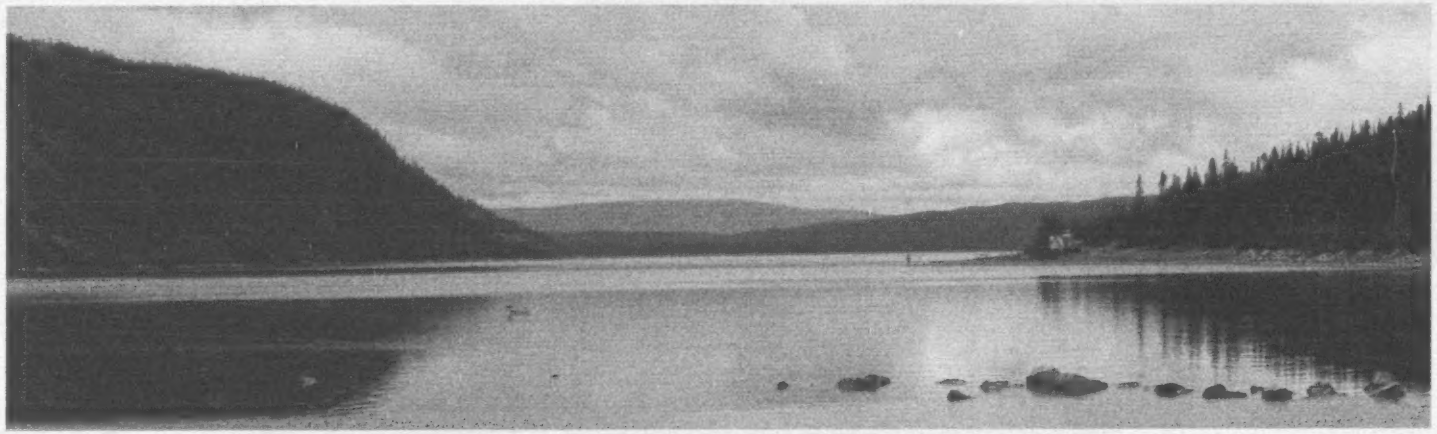
Icebergs off the coast of Hopedale

Issue 2 Policy and Programs

Residents of Labrador have unique social and economic needs, resulting from historic, social, cultural, and geographic factors. The Provincial Government policy and programs that do not reflect these unique needs are less likely to advance the social and economic development of Labrador communities. Therefore, it is the ongoing role of LAO to advocate for the appropriate consideration and integration of these unique needs into provincial programs and services. LAO needs to be aware of all Provincial Government policy and programs related to Labrador as well as be knowledgeable of all attributes of the region. LAO played a key role in ensuring that information and advice regarding these factors informed Provincial Government policy and programs.

This was achieved by:

- supporting equitable programs, services and infrastructure to facilitate enhanced accessibility for the residents of Labrador;
- encouraging communications and partnerships with governments, communities, organizations and other stakeholders; and,
- providing a Labrador perspective on Provincial Government policy documents.



Looking into Kaipokok Bay, Postville

Report on Objective

2013-14

Objective: **Each year, the Labrador Affairs Office will have provided input regarding Labrador interests in Government policy and programs.**

Measure:		Provided Input
	Objective Indicator	1. Provided input on Labrador perspectives in the development of Provincial Government policy and programs;
"October 28, 2013 **"Newfoundland and Labrador has a rich Aboriginal cultural diversity. The Provincial Government is proud to continue to provide funding to ensure that our Aboriginal culture and heritage is preserved for generations to come." Minister McGrath.**	Performance	LAO continued to provide input to ensure Labrador perspectives are considered when developing Provincial Government policy and programs. This was achieved by providing advice on Labrador perspectives to Provincial Government papers on policy and program development. LAO also advocated Labrador perspectives through participating on interdepartmental working groups. LAO also attended regularly scheduled ministerial and executive meetings. LAO participated on a senior officials working group dedicated to facilitating the sharing of information to help better understand and measure impacts of transportation and tourism issues in Labrador. The group met quarterly; the first meeting was in February, 2014. The group provided feedback, offers advice, and assisted the Provincial Government in assessing transportation and tourism issues in Labrador. LAO led the development of Provincial Government policy on programs it administered including Air Foodlift Subsidy, Labrador Transportation Grooming Subsidy, Combined Council of Labrador and Youth Conference grant. LAO communicated with departmental designates on Provincial Government commitments

captured under the *Northern Strategic Plan*.

As well, LAO reviewed resource development applications and environmental assessment processes to ensure Labrador perspectives were considered. This review ensured that Labrador perspectives that were potentially affected by proposed developments were considered.

Objective Indicator

2. Monitored Provincial Government initiatives related to Labrador;

Performance

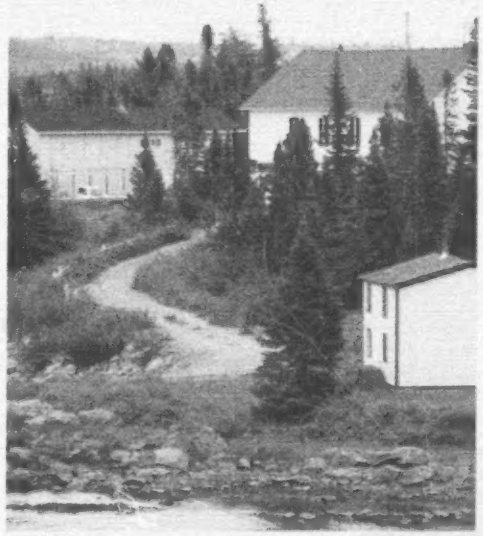
LAO provided comments on draft Annual Reports of Provincial Government departments/entities. These documents helped LAO remain informed of Labrador related activities by other departments/entities. Additionally, LAO provided further input on documents to ensure Labrador relevancy and accuracy

LAO led the development of Provincial Government policy concerning the programs it administers including the Air Foodlift Subsidy, Labrador Transportation Grooming Initiative, and the *Northern Strategic Plan*.

All Provincial Government commitments that fall under themes of the *Northern Strategic Plan* were captured under its monitoring framework. Progress and financial updates to these commitments were entered into the monitoring framework.

LAO officials tracked Provincial Government News Releases to ensure Labrador related initiatives are effectively noted and that relevant officials are aware of the Provincial Government's ongoing initiatives across its departments/entities.

On a daily basis, LAO consulted directly with relevant line departments/entities to ensure initiatives are supported and that a Labrador lens is effectively applied.



Houses in Southern Labrador

Objective Indicator

3. Provided analysis to Government on issues related to Labrador;

Sparse trees in northern Labrador

Did you know?

Andrew Trant, a PhD candidate at Memorial University discovered the oldest black spruce recorded for Atlantic Canada. At approximately 370 years old, it's also one of the oldest black spruce documented in the world.

Performance

The Provincial Government sought input from LAO on issues related to Labrador. LAO provided in-depth analysis to the Provincial Government through reviews of papers, budget documents, briefing note collaboration, joint news releases and day to day correspondence. LAO ensured that the Labrador lens is accurately reflected and is considered in Provincial Government submissions.

LAO's analysis balanced the Labrador interest with that of the provincial interest, as a whole. Analysis was applied not only through document review but also by public and internal Provincial Government meetings/discussions.

LAO actively participated in a number of initiatives and working groups on issues affecting the residents of Labrador such as:

- Labrador Regional Senior Management Council;
- Violence Prevention Initiative;
- Regulatory Reform Initiative;
- Canada Newfoundland Labrador Committee on Oceans Management;
- Natural Areas System Plan; and,
- Provincial Coastal and Oceans Network.

LAO helped facilitate and coordinate many meetings unique to the concerns of residents of Labrador people. LAO provided advice to Government from meetings such as:

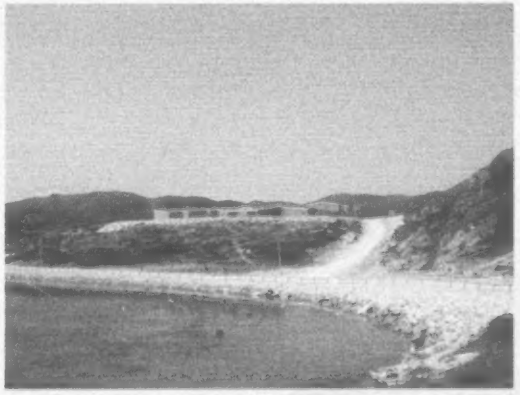
- Environmental Management and Planning Consultative Committee meetings;
- Northern Development Ministers' Forum;
- Tourism Transportation Senior Officials Working Group;
- Labrador Aboriginal Training Partnership meetings;
- Combined Councils of Labrador Annual General Meeting; and,
- Mealy Mountains and Torngat Mountains National Park meetings.

Objective Indicator

4. Participated in inter-departmental working groups/committees to provide input on a Labrador perspective;

June 17, 2013

"Labradorians will see great benefits through the hiring protocols of the Lower Churchill Construction Projects Benefits Strategy. Gender equity and diversity provisions will provide further measures to increase participation of under-represented groups inuding women and Aboriginal people. It is important that these Special Project Orders confirm the hiring initiatives that have been brought forward by this government." Minister McGrath



Amos Comenius School, Hopedale

Performance

LAO participated on the following interdepartmental working groups/committees to provide input on a Labrador perspective:

- Pre-Budget Consultations in Labrador West and Central Labrador;
- Needs Assessment Survey on Labrador West;
- Alderon Kami project Environmental Assessment Working Group;
- Nalcor Lower Churchill Project Information Sessions;
- Labrador Tourism/Transportation Senior Officials Working Group;
- Policy NL Directors Forum;
- Food Security Interdepartmental Working Group; and,
- Arctic Opportunities Officials Working Group.

In addition to these interdepartmental groups LAO also worked with groups outside of the Provincial Government to provide input from a Labrador perspective such as:

- Labrador Salmonid Advisory Committee;
- Institute for Environmental Monitoring and Research;
- Environmental Management and Planning Consultative Committee;
- Technical Environmental Review Committee under the Voisey's Bay Environmental Management Agreement;
- Labrador Aboriginal Training Partnership;
- Newfoundland and Labrador Geographical Names Board;
- Newfoundland and Labrador Regional Advisory Board under Homelessness Partnering Strategy;
- Violence Prevention Labrador;
- Community Advisory Panel;
- Provincial Coastal and Oceans Network;
- Canada/Newfoundland Labrador Committee on Oceans Management;
- Regional Oversight Committee on Oceans Management;
- Lower Churchill Falls Project information meetings; and,
- Torngat and Mealy Mountain National Parks committee sessions.

	Objective Indicator	**5. Supported Provincial Government consultations to enable Labrador perspectives to be considered;**
Did you know? *The community of Natuashish was intentional designed to resemble the shape of a snowshoe*	Performance	The Provincial Government conducted consultations to gather input into the decision making process on Provincial Government policy. LAO ensured that Labrador perspectives were considered during these Provincial Government consultations. On a regular basis, Provincial Government departments/entities engaged LAO for advice on how to effectively consult people from Labrador communities. Government consultations supported by LAO over the past year include: • Labrador Salmonid Advisory Committee; • Pre-budget Consultations; • Continued to communicate with designates and departmental executive involving the NSP; and, • Face to face meetings as well as teleconferences were conducted with service providers that delivery the Labrador Transportation Grooming Subsidy in remote regions of Labrador.
	Objective Indicator	**6. Monitored Labrador Affairs Office specific programs to ensure effective program delivery.**
April 10, 2013 **"The Combined Councils of Labrador Annual General Meeting provides a great opportunity for representatives of all regions of Labrador to discuss important issues and work together to build an even stronger future for Labradorians. I am pleased that many of my colleagues will be in Happy Valley-Goose Bay this week to take part in important discussions that will help to identify priorities and ways to advance the social and economic opportunities of Labrador." Minister McGrath**	Performance	LAO administered the following Labrador-specific programs: Air Foodlift Subsidy, Labrador Transportation Grooming Subsidy, Combined Councils of Labrador Grant and the Youth Conference Grant. Administration of these programs was supported by LAO staff including: Director, Senior Analyst, Program Coordinator and Trail Inspector. Each program was monitored on a regular basis to ensure operation was within the budget allocation while satisfying program objectives. Public awareness of program availability was communicated regularly to stakeholders. LAO worked with the Department of Finance to ensure funding subsidies and grants were provided to stakeholders/community groups in a timely manner. LAO maintained effective communication links with stakeholders/community groups which provided valuable feedback that was considered in program administration.

Issue 1 Discussion of results

The measure of Issue 2: Policy and Programs was 'provided input'. LAO provided input to ensure Labrador interests were considered in Provincial Government policy and programs through the provision of input on Labrador perspectives to policy development, monitoring Provincial Government initiatives, participating in interdepartmental working groups, supporting Provincial Government consultations and administering Labrador-specific programs/subsidies

Northern Lights in Labrador West

The Year Ahead - Opportunities and Challenges

In October, 2013 Labrador Affairs merged with Aboriginal Affairs to form the Labrador and Aboriginal Affairs Office. The opportunities and challenges identified here are specific to the Labrador Affairs branch of the newly created Labrador and Aboriginal Affairs Office.

The Muskrat Falls Hydro project will continue to advance in the construction phase of the Hydroelectric Generating Station and the Labrador-Island Transmission Link between Muskrat Falls and Soldier's Pond (Avalon Peninsula) in 2014-2015. It is expected that employment levels will exceed 3,000 people by mid-2015. Both of these huge initiatives will intensify economic activity in Central Labrador and along the Strait of Belle Isle near the subsea cable crossing location. Development of this massive hydro infrastructure will produce excess power that could be available for industrial use such as mining development.

Labrador Affairs will continue to coordinate Provincial Government environmental permitting for the project. In this capacity, Labrador Affairs will work with relevant departments/entities and Nalcor Energy to ensure an efficient permitting process.

On February 12, 2014, Cliffs Natural Resources announced the idling of Scully Mines at Wabush, and approximately 500 employees lost their jobs. Labrador Affairs is part of a Provincial Government committee, led by the Department of Advanced Education and Skills, to support the displaced workers. .

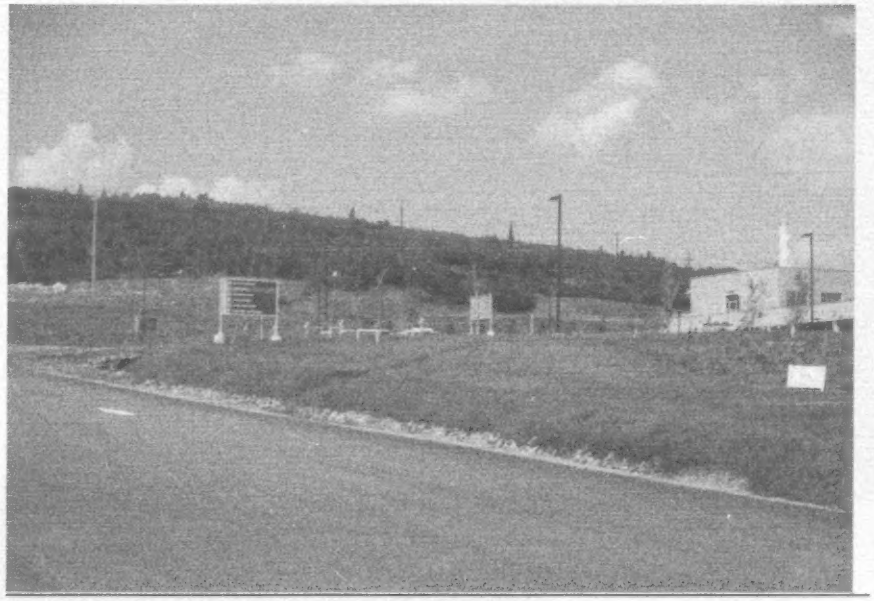
The Provincial Government has invested more than $500 million in the Trans Labrador Highway (TLH) that stretches from Labrador West to the Labrador Straits. Widening and hard surfacing of the TLH will continue in 2014-15. It is expected that the hard surfacing of Phase I between Happy Valley-Goose Bay and Labrador West will be completed in the 2014 construction season. Funding was also announced to widen and hard surface 80kms of Phase II and Phase III in the 2014-15 construction seasons. The Provincial Government also issued a Request for Proposals to provide comprehensive marine transportation services to Labrador over a 15-year term. A minimum of two vessels will provide passenger, vehicle and freight service to the north coast of Labrador and the Labrador Straits; anticipated to be operational Fall 2016. Vessels must be ice-class, have roll-on, roll-off capability and must be new or built in 2010 or later.

Major resource developments in Labrador offer local and provincial businesses great opportunities to grow and prosper. Recent Labrador graduates of post-secondary institutions such as Memorial University and especially the College of the North Atlantic and other skilled trades institutions have an amazing opportunity to gain that very important work experience to help them towards future careers.

Increases in employment opportunities will place added pressure on the industrial sector and the Provincial Government to recruit and retain employees in Labrador. The massive economic development will place additional pressure on existing provincial infrastructure such as roads, schools, hospitals, etc. The Provincial Government and Labrador Affairs will remain cognizant of additional pressure on existing programs and services and are willing to adapt to help serve those that need it. Labrador Affairs will be engaged to ensure that Provincial Government programs and services offered are suited to Labrador residents. Labrador Affairs will continue to forge and support working relationships between Labrador businesses, municipalities and chambers of commerce in efforts to facilitate and manage economic development in Labrador.

The Labrador Affairs Office will continue to administer Labrador-specific programs including: the Labrador Transportation Grooming Subsidy Program (LTGS), the Air Foodlift Subsidy Program (AFS), the Combined Councils of Labrador funding and the Youth Conference Grant. Labrador Affairs will continue with an evaluation of the LTGS to ensure winter snow trails are maintained in the safest manner possible. This evaluation will include gathering input from all service providers, groomer operators and trail users on the effectiveness and uses of the winter trail system. As part of the evaluation, Labrador Affairs will continue studying the effects of the snowmobile/drag pilot project to ensure trails to Norman Bay are well maintained. Winter 2014 was the coldest in recent years which led to excessive ice conditions on Labrador's north and south coasts and along the Labrador Straits. The AFS will continue to help offset freight cost for eligible items under the AFS; as well the 100% subsidy on fresh milk will remain in place. Labrador Affairs will continue to hold seats on many intergovernmental and interdepartmental committees and boards. Labrador Affairs will continue to provide advice to Provincial Government departments/entities that have social and economic commitments in Labrador.

Labrador Affairs will also monitor Provincial Government programs and services in Labrador and continue administration of Labrador-specific programs. Labrador Affairs is up to the challenge to ensure that unique issues of Labrador are considered in the development of Provincial Government policies and programs and in social and economic development in Labrador.



New Hospital in Labrador West

Financial Statements

For the Year ending 31 March 2014 (unaudited)*

Labrador Affairs Office	Actual ($)	Estimates	
		Amended ($)	Original ($)
Executive Support**			
Salaries	794,262	869,200	896,400
Employee Benefits	11,100	11,200	6,000
Travel and Communications	107,651	170,400	173,900
Supplies	6,120	10,500	12,000
Professional Services	-	6,000	6,000
Purchased Services	3,073	14,000	14,000
Property, Furnishings and Equipment	931	4,300	4,300
Total: Executive Support	923,137	1,085,600	1,112,200
Labrador Affairs			
Salaries	597,878	605,000	568,500
Employee Benefits	7,965	11,800	3,500
Travel and Communications	77,823	94,800	105,000
Supplies	8,441	12,300	12,300
Professional Services	731	5,500	8,000
Purchased Services	234,081	244,800	242,600
Property, Furnishings and Equipment	9,152	9,200	4,000
Grants and Subsidies	517,738	556,500	586,500
Total Labrador Affairs	1,453,809	1,539,900	1,530,400

*Report on the Program Expenditure and Revenue of the Consolidated Revenue Fund for the year ended March 31, 2014.
** Executive Support financial figures include Aboriginal Affairs.

To obtain a copy of this report:

Online:
Website: www.gov.nl.ca/laa

Paper:
Labrador and Aboriginal Affairs Office
Mailbag 3014, Stn. B
Happy Valley-Goose Bay, Newfoundland and Labrador
A0P 1E0
Phone: (709) 896-1780 Fax: (709) 896-0045
Toll free @ 1-888-435-8111

Back cover photo:

Sunset in Western Labrador

Newfoundland
Labrador